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FOR IMMEDIATE RELEASE

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SEN. HANSEN CLARKE'S PLAN TO SAVE THE DETROIT MEDICAL CENTER

As a member of the Senate Appropriations Subcommittee on Community Health, Senator Hansen Clarke will propose the following measures which could stabilize the Detroit Medical Center (DMC).

A. Short-term relief

1. Restore tobacco settlement funding to prevent further funding cuts to the DMC.

Senator Clarke supports the Governor's budget recommendations for fiscal year 2003-2004 which would restore her proposed 60 million dollars of tobacco settlement funding for state Medicaid programs.

2. Accelerate Medicaid interim payments to the DMC to generate over 100 million dollars.

3. Accelerate additional Medicaid payments to the DMC to generate over 75 million dollars.

The state may be able to pay the DMC 30 million dollars in a lump-sum under the disproportionate share funding formula. This formula is based on the large number of Medicaid and indigent patients that the DMC serves. The state might also pay an additional 45 million dollar lump-sum to the DMC under the state's graduate medical education program.

The DMC could receive millions of dollars additionally in short-term interest by investing these lump-sum payments.

4. The DMC could receive up to 23 million dollars in federally-matched unspent tobacco settlement funds.

5. The DMC might be eligible to receive 9 million dollars in federal bioterrorism funds.

6. City funding: Explore dedicating city income tax revenue which might generate to the DMC at least 10 million dollars annually.

B. Restructure and refinance health care delivery in Wayne County and Detroit.

Senator Clarke supports exploring models to restructure health care delivery in Wayne County to consolidate Medicaid health plans, establish more federally qualified health centers and leverage more federal funds.
